

**REQUEST FOR REDEVELOPMENT PROPOSALS  
FOR CITY OWNED REAL PROPERTY AT  
PENN AND LOWRY AVENUES NORTH  
MAY 24, 2005**



Issued by:



**City of Minneapolis – Community Planning and Economic Development**  
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Minneapolis, Minnesota 55401  
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[www.ci.minneapolis.mn.us/cped](http://www.ci.minneapolis.mn.us/cped)

Contact Erik Hansen (612) 673-5022 for issues specific to this RFP

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## **INTRODUCTION**

The City of Minneapolis (“City”) is seeking development proposals for certain property owned by the City and located at Penn and Lowry Avenues North. The City’s development goals for the property are neighborhood-oriented, pedestrian-scale mixed-use commercial/retail, that can include residential and office uses. Proposals are due in City offices no later than 4:00 p.m. Tuesday, August 30, 2005. Project Staff will hold a pre-proposal meeting on Wednesday, July 27, 2005 at 2:00 p.m. in the CPED Offices to discuss the request and answer questions.

## **SITE FACTS**

The redevelopment site is located on the southeast corner of Penn and Lowry Avenues North. The site is 56,630 square feet of which approximately 8,700 square feet adjacent to each avenue must be preserved for the upcoming Hennepin County Lowry Avenue Corridor project (see EXHIBIT B). The site consists of five tax parcels, with three parcels zoned commercial (C1) and two zoned residential (R2B).

These parcels are:

Property Identification Number	Zoning
09-029-24-32-0214	C1
09-029-24-32-0213	C1
09-029-24-32-0110	C1
09-029-24-32-0111	R2B
09-029-24-32-0112	R2B

Proposals must incorporate all five parcels in the redevelopment plan. The City of Minneapolis will accept redevelopment proposals that include additional parcels to those listed only if the proposer can assure site control to the City’s satisfaction at the time of developer selection. Proposals that require the City to acquire additional property for site assembly will not be accepted.

The redevelopment site is currently vacant. The City of Minneapolis purchased the site and cleared the previous structures between 1998 and 2001. The State of Minnesota and the Metropolitan Council have contributed almost \$300,000 for environmental remediation associated with contamination that was found in the previous structure and in the soils. This clean up was completed in 2004. The City of Minneapolis is not aware of utility easements or substandard geotechnical conditions on the site. Proposers are welcome to review documentation related to the remediation. Contact the department contact person to schedule a time to review.

### **Site Location**

The Penn-Lowry Redevelopment site is located on one of Minneapolis’ most prominent intersections. The site sits at the intersection of the Jordan, Cleveland and Folwell neighborhoods and has served as one of the larger commercial nodes for the Near-North and Camden communities for generations. The site is connected to the North Side’s only commercial corridor West Broadway via both Penn and Lowry Avenues and is one-half mile west of North Memorial Medical Center.

At the height of the streetcar era, Penn-Lowry served as a destination for most of the community's shopping and service needs. The node continues to provide a diversity of offerings from various neighborhood-oriented retailers. These offerings include hardware, clothing, sundries and dry goods, liquor, check cashing and currency-exchange, medical and dental service, employment training, postal service, and restaurants.

#### *Strong Neighborhood Connections*

The Penn-Lowry Redevelopment Site is located at the intersection of three diverse neighborhoods. These include Cleveland to the northwest, Folwell to the northeast, and Jordan to the south of Lowry and including the redevelopment site. These three neighborhoods have traditional characteristics with a predominance of single-family dwellings, with multi-family structures intermixed in the area as well as along the corridors and at the commercial nodes. The neighborhoods have a racial and economic diverse population that grew by an additional 500 households between 1990 and 2000, according to the US Census.

#### *Strong Street Connections*

The site has strong connections to surrounding communities along Lowry and Penn Avenues North. Penn Avenue North is one of a few continuous north-south corridors throughout the North Side of Minneapolis. It connects from Interstate 394 in the south to Trunk Highway 100 in the north (via connections with Osseo Rd/Brooklyn Blvd). Metro Transit serves Penn Avenue with Route 5 as frequently as every 5 to 10 minutes during 'rush hour' and 7 to 8 minute service mid-day. Route 5 serves Brooklyn Center, North Minneapolis, Downtown, and South Minneapolis to the Mall of America. Automotive traffic flows past the site on the Penn Avenue at a rate of 10,700 average daily trips.

Lowry Avenue links the site to adjacent suburban cities to the west and across the Mississippi River to Northeast Minneapolis. Similar to Penn Avenue, 10,700 average daily trips pass the redevelopment site along this avenue. Metro Transit Route 32 serves the site from Robbinsdale in the west to Roseville in the east. This route runs every half-hour during the day. Hennepin County is planning to reconstruct Lowry Avenue west of I-94 beginning in 2006.

The stretch on Lowry Avenue in front of the redevelopment site is scheduled for reconstruction in 2010 (see *Lowry Avenue Corridor Plan* section for more information). With reconstruction, Lowry Avenue will include enhanced transit service with the addition of Bus Rapid Transit (BRT), wider sidewalks, and dedicated bicycle lanes. The proposed eastbound BRT station will be constructed on the southeast corner of the intersection adjacent to the redevelopment site.

## **COMPREHENSIVE PLAN**

*The Minneapolis Plan*, the City's comprehensive plan, designates the area as a neighborhood commercial node and both Penn and Lowry Avenues are community corridors. A neighborhood commercial node is oriented to pedestrian traffic and provides retail or service uses to residents in the surrounding neighborhoods. A typical neighborhood commercial node serves a trade area of 2,000 to 12,000 people in 10,000 to 100,000 square feet of retail or service floor area. The Penn-Lowry node generally includes an area from Russell to Oliver Avenues along Penn and from 30<sup>th</sup> Avenue to one-half block north of Lowry on Penn.

A community corridor is minor arterial that carry 4,000 to 15,000 average annual daily traffic. These corridors exhibit traditional urban form and massing and are primarily residential with intermittent commercial nodes, like that around the redevelopment site, with small-scale commercial uses. Commercial corridors do not support automobile oriented shopping centers.

The *Minneapolis Plan* encourages housing growth near neighborhood commercial nodes and along community corridors.

## **REDEVELOPMENT GOALS**

Redevelopment proposal should comply with the guiding principles defined in the *Minneapolis Plan*. Therefore, acceptable proposals will include a commercial/retail component that increases or enhances the offering at the node. A housing component would be a desirable complement to retail/commercial use, as would commercial services or offices. A successful proposal will include a mix of uses that increases the density of activity on the node. Proposers should consider balancing the mixes of uses with an appropriate parking supply.

Proposals should consider traditional urban form as the basis to the redevelopment concept. Successful proposals will include structures that address both Lowry and Penn Avenues, maximize vertical integration, and locate parking supply to the side or rear of the primary structure, or in a below-grade facility. The City encourages parking for the retail/commercial to be at grade with clear way finding, marking and circulation.

In addition to traditional urban form, proposal should include elements that create a 'sense of place'. These elements should foster an active sidewalk environment, and could include green space or an outdoor plaza in order to increase pedestrian traffic, identify the node as a landmark urban destination, and accommodate alternative transportation modes such as bicycles and transit. A possible reference that illustrates place-making elements is the book *City Comforts: How to Build an Urban Village* by David Sucher.

## **Community Input**

The City of Minneapolis has met with both the surrounding neighborhoods and a majority of the current businesses at the Penn-Lowry commercial node. Proposers

should consider the following information during the creation of the redevelopment proposal.

*Responses from the surrounding community*

City of Minneapolis Staff held a meeting of community members of the surrounding neighborhoods – Cleveland, Folwell, and Jordan - on Wednesday, May 4, 2005. Participants at this meeting identified specific business types and structural features that are desirable at the redevelopment site. Successful proposals will consider and incorporate some of the following ideas:

Desired Business Types	
Art and Craft Store	Incubator/Mercado
Woodworking Store	Drop-Off Dry Cleaning
Laundry	Mail Center
Bank/Credit Union	Grocery Store
Drug Store	Hardware Store
Medical Clinic/Office/Training	Public Service/Licensing
Restaurant w/outdoor seating	Bookstore
Bike Shop	Bakery
Food Co-op	Senior Center
Art Gallery	Live/Work Space
Deli	Coffee Shop

Desired Structural Features	
Brick and Stone Façade	Retail with Residential Above
3 to 4 stories	Destination Businesses
Neighborhood Oriented Businesses	Preservation of existing businesses
Ownership for Commercial Tenants	Integration w/existing commercial
Community/Green Space	Plaza
Mural	Diversity in commercial tenants
Mixed income housing	Housing ownership opportunities
Secure and well lighted parking	Bicycle parking facilities
Pedestrian scale lighting	Staggered business activity (hours of day)
Short term parking for retail (no park and rides)	Shared loading
Unique architecture	Pavers on sidewalk

*Business Interest*

City Staff met with a majority of the current business owners at the node to discuss the upcoming redevelopment on Tuesday, April 5, 2005. As a result of this meeting the following businesses are open to solicitation for possible inclusions in the new development as tenants or owners of individual commercial spaces. Proposers are encouraged to contact these parties directly to discuss a potential partnership.

Interested Businesses and Desired Site Requirements*	
Business Name	<b>Employment Action Center</b>
Address	<b>3200 Penn Avenue North</b>
Contact Name	<b>Gordon Engstrom, CFO</b>
Contact Phone	<b>612-752-8014</b>
Contact Email	<a href="mailto:gengstrom@resource-mn.org">gengstrom@resource-mn.org</a>
Type of Business	<b>Non-profit Human Service Agency</b>
Minimum size desired	<b>7,000 sq. ft.</b>
Uses	<b>Office and meeting space EAC assists individuals to achieve their employment potential. EAC provides individual counseling and group workshops. We see an average of 60 participants per day. We would prefer our own property in this development</b>
Special needs	<b>Handicapped Accessibility Approximate space needs:</b> <ul style="list-style-type: none"> <li>• 30 offices</li> <li>• 1 dividable, large group room (1,000 sq. ft.)</li> <li>• 2 conference rooms (200 sq. ft. each)</li> <li>• 1 computer lab (400 sq. ft.)</li> <li>• secure reception area</li> <li>• filing and office work space</li> <li>• kitchen and lunch area</li> <li>• storage for clothing closet for job seekers (500 sq. ft.)</li> <li>• storage</li> <li>• 35 to 40 parking spaces</li> </ul>
Business Name	<b>Max Checking Inc. dba Metro Check Cashing</b>
Address	<b>3207 Penn Avenue North</b>
Contact Name	<b>Mitch Curtis</b>
Contact Phone	<b>(612) 521-6404</b>
Contact Email	<a href="mailto:metrocc@popp.net">metrocc@popp.net</a>
Type of Business	<b>Currency Exchange</b>
Minimum size desired	<b>1200 sq. ft.</b>
Uses	<b>Financial Transaction Clerical</b>
Special needs	<b>Bullet proof wall with bullet proof glass separating lobby from tellers. Want brick outer walls and on inside common wall.</b>
Business Name	<b>North End Hardware</b>
Address	<b>3117 Penn Avenue North</b>
Contact Name	<b>Darryl Weivoda</b>
Contact Phone	<b>612-529-9151</b>
Contact Email	<a href="mailto:northendhardware@aol.com">northendhardware@aol.com</a>
Type of Business	<b>Hardware</b>
Minimum size desired	<b>6,500 sq. ft. (1st floor, basement or 2nd floor space)</b>
Uses	<b>Retail hardware with a window shop, small engine shop, and rental</b>
Special needs	<b>Elevator to other level. Would like to be involved in the planning.</b>
Business Name	<b>Northside Chiropractic Clinic</b>
Address	<b>2305 Lowry Avenue North</b>
Contact Name	<b>Dr. Greg T. Olson</b>
Uses	<b>Health care and exercise rehabilitation</b>
Special needs	<b>Standard health care "stuff" and 240 3 phase electrical</b>

\*Information listed in this table was specifically provided by the participating business. The City of Minneapolis is providing this information as a courtesy.

## **Lowry Avenue Corridor Plan**

Hennepin County is in the process of acquiring additional right-of-way along Lowry Avenue as the first step to the complete reconstruction and expansion of the roadway. The *Lowry Avenue Corridor Project Plan* can be found on-line at Hennepin County's website under Community Development, the current URI is [http://www.hennepin.us/vgn/portal/internet/hcchannelmaster/0,2324,1273\\_102660844\\_2,00.html](http://www.hennepin.us/vgn/portal/internet/hcchannelmaster/0,2324,1273_102660844_2,00.html). At the time of the writing of this RFP, the County plans to construct the portion of Lowry from Girard Avenue to Interstate 94 beginning in 2006 and the portion from Girard Avenue west to the Minneapolis City Limits beginning in 2010.

The project will impact the redevelopment site. As shown in the site map and description of the site, around 8,700 square feet of City owned property will need to be preserved for the project. The plans for this intersection include the addition of protected turn lanes, the addition of five-foot dedicated bicycle lanes along Lowry Avenue, expanded sidewalks and BRT Stations on the southeast and northwest corners of the intersection. Proposers are encouraged to review the plan and consider these upcoming changes to the roadway in the design of the proposals. Proposers are also encouraged to incorporate public plaza or gathering elements at the corner that can integrate into and enhance the transit station.

## **ESTIMATED FAIR REUSE VALUE OR ASKING PRICE**

An estimated fair reuse value of the site has been determined, estimating the value to be \$239,690.00 or approximately \$5.00 per square foot. The City reserves the right to re-value the site based on responses to the RFP and the specific proposals submitted.

## **PROPOSAL DEADLINE**

### **Proposal submission**

Proposers must submit copies of their proposals as follows: one unbound copy, ten bound copies and one electronic version in Microsoft compatible or PDF format on diskette or CD. Proposals must be on standard 8 ½" by 11" paper. All supporting documentation must be on paper no larger than 11" by 17". Proposals and supporting documentation must be submitted in a sealed envelope labeled "Penn-Lowry Redevelopment Proposal." Telefaxed proposals will not be accepted. Proposers may choose to provide additional sets if and when invited to do so for presentation purposes. Submissions will not be returned.

Proposals shall be delivered to the City on or before:

4:00 p.m. Tuesday, August 30, 2005

To:

**Contract Services  
City of Minneapolis, Department of CPED  
105 Fifth Avenue South, Suite 200  
Minneapolis, MN 55401**

Proposals received after the deadline will not be accepted. It is neither CPED's responsibility nor practice to acknowledge receipt of any proposal. It is the responder's responsibility to assure that a proposal is received in a timely manner.

## **RFP INQUIRIES**

Prospective responders may only direct questions in writing to the department contact person:

Erik Hansen  
City of Minneapolis, Department of CPED  
105 Fifth Avenue South, Suite 200  
Minneapolis, MN 55401  
Email: erik.hansen@ci.minneapolis.mn.us  
Fax: (612) 673-5113

There will be a pre-proposal conference to discuss the proposal and answer questions. It will be held on Wednesday, July 27, 2005 at 2:00 p.m. at the CPED Office listed above. A summary of the meeting will be posted on the CPED website. ([www.ci.minneapolis.mn.us/cped](http://www.ci.minneapolis.mn.us/cped)) All additional questions are due no later than August 9, 2005. Questions will be answered in writing and posted on the CPED web site. The department contact person is the only individual who can be contacted about the project by proposers before the proposal deadline. The department contact cannot vary the terms of the RFP.

## **PROPOSAL CONTENTS**

Proposals must include the following information in the following order and with corresponding section numbering (all proposals must include page numbers):

1. A cover page that includes the following information:
  - a. Developer's name and mailing address
  - b. Developer's current legal status: corporation, partnership, sole proprietor, etc.
  - c. Federal ID number or Social Security number
  - d. State ID number
  - e. Contact person's name, title, phone number, fax number and e-mail address
  - f. Signature of authorized corporate officer for each entity proposing as a partnership or team
  
2. A **description (narrative, preliminary schematic plans and elevations) of the proposed development** (e.g., size of building and square footage of specific components, nature of improvements, number of parking spaces, anticipated materials and design style, circulation patterns, loading/service provisions) to be built on the site. If the development is proposed to be phased, the narrative should clearly define the components and timing of each phase and indicate the nature of the conditions upon which construction of subsequent phases would be based. If residential development is proposed, the proposal should include information about the bedroom compositions, rents and/or sales prices and

amenities/services included. For the proposed retail/commercial component of the development, information should be included about the anticipated type of tenants expected, and rents and/or sale prices.

3. An **identification of the entities** that will be involved, a description of the roles they will play (e.g., developer, architect, building owner, property manager, tenant, professional consultant) and a summary of the team's past experience in working together. A description of each of the entities' experience in developing similar projects must be included, including location, type of development, proposer's role(s), cost of project, funding sources, status of project, and information about any continued financial or operating interest in each. Include specific previous relevant experience with public entities, including reference contact information. The City may ask for supporting documentation substantiating claims of previous experience. Summarize any lawsuits to which the responder or any principals of the responder have been a party. Identify the principal person who will speak for the development team and any other key participants who will be involved in negotiating the project terms. Specify whether the development entity is or intends to form a corporation, a general or limited partnership, a joint venture or other type of business association to carry out the proposed development. The developer must also provide two years of financial statements, which may be submitted confidentially to the CPED Director under separate cover. Design consultants on the team must be licensed in the State of Minnesota and contractors must be licensed to work in the City of Minneapolis; the submission must include a certification that identified team members meet these requirements.
4. A preliminary **capital pro forma** showing the detailed sources and uses of funds (debt, equity and other) to acquire the parcel and construct the development (including any tenant improvements). Information as to the status of securing those funds should be included and inclusion of a conditional financing commitment is strongly encouraged. Clearly indicate any public assistance to be requested. If the project includes multiple uses, the capital pro forma should be broken down for the component uses (commercial, housing, etc.).
5. For rental projects, a preliminary **operating pro forma** of at least 20 years for the building operation, including the assumptions underlying the income and expense projections. Also show the Cash-on-Cash Return and Internal Rate of Return. If the project includes multiple uses, the operating pro forma should be broken down for the component uses. Detailed pro formas (separate commercial vs. housing) in a format acceptable to CPED will be required during the negotiation of a redevelopment agreement.
6. A **market study** or other information documenting the demand for the proposed space.
8. A **description of the public benefits** that will result from the development, e.g., the number and types of housing units, the creation or retention of jobs (including

the estimated number, type and wage levels), tax base enhancement, the provision of retail goods and services, etc. This should include an estimate of the taxable value upon completion and annual real estate taxes.

9. A **proposed timeframe** for the development, including identification of any conditions that must be met before the proposal can become a reality. The schedule should include the time needed to obtain financing, complete design and secure permits and approvals, prepare the site, start and complete construction, and start and complete lease-up and/or sellout.
10. An executed "Consent for Release of Response Data" form (Exhibit A). Proposals that do not include an executed "Consent for Release of Response Data" form shall be considered incomplete which will be grounds for rejection of the entire proposal.
11. Any **other information** that would help City staff understand and evaluate the concept.

The contents of the proposal and any clarification to the contents submitted by the successful proposer may become part of the contractual obligation and be incorporated by reference into the redevelopment contract between the selected developer and the City.

Developers responding to this RFP are not required to provide a good faith deposit on the land with their proposals. However, the developer whose proposal is ultimately selected by the City Council must make the required deposit at the time of selection.

### **EVALUATION CRITERIA**

In reviewing potential development concepts, the following criteria are among those that will be considered:

1. The experience and the financial and organizational capacity of the developer in successfully planning and completing development projects of similar type and scale, on time and within budget.
2. The extent to which the proposed development is in compliance with the Minneapolis Zoning Code, comprehensive plan and other relevant planning documents for the area.
3. The extent to which the project can move forward on a timetable that will coordinate with the other development in the area.
4. The market and financial feasibility of the project.
5. The anticipated ability of the project to secure necessary public and private funds.
6. The public benefits that would be provided by the project, including the proposed land price.
7. Overall quality of the submission.
8. Review of related previous experience.

The City may, in its sole discretion, expand or reduce the criteria upon which it bases its final decisions regarding selection of the developer for this parcel.

## **CITIZEN PARTICIPATION**

The City of Minneapolis has established a citizen participation process for development projects impacting neighborhoods and values advice/input from the public obtained through this process. The neighborhood groups officially designated to provide input on responses to this RFP are Jordan, Cleveland and Folwell. Under the Minnesota Government Data Practices Act, Minnesota Statutes Ch. 13, public disclosure of RFP response data prior to execution of a contract is restricted. In order to meet the City's citizen participation goals, the City requires each proposer to execute and submit a "Consent for Release of Response Data" form as attached to this RFP as Exhibit A. Failure to submit the "Consent for Release of Response Data" will be grounds for rejection of the entire proposal as unresponsive. [Notwithstanding the foregoing, if proposers are being asked to provide financial statements as part of the RFP response, proposers may submit such financial statements confidentially under separate cover pursuant to the Minnesota Government Data Practices Act.](#)

## **REVIEW/SELECTION PROCESS**

A committee that will include City staff and neighborhood organization representatives will review proposals received by the due date. Input also will be sought from the affected neighborhood organization(s). Some or all of the proposers may be requested to present their proposals to the review committee and/or neighborhood organizations. It is hoped that this review process will be completed by December 2005.

The review committee will then make a recommendation as to the developer that best meets the evaluation criteria. This recommendation will be considered by the CPED Director and then forwarded to the City Council for action.

If the City Council selects a development proposal that does not entail any additional public investment, staff will proceed to negotiate with the selected developer the terms of the proposed land sale. If the selected proposal requests additional public investment, staff will determine what types of further analysis, underwriting and/or other processes are required. Unless further analysis indicates that the selected proposal is infeasible, staff will negotiate the terms of the proposed transaction during this period.

Once redevelopment contract terms have been negotiated and any further analysis completed, staff will return to the City Council for a land sale public hearing and consideration of approval of the land sale and related terms.

**The City reserves the right to reject any or all proposals or parts of proposals, to negotiate modifications of proposals submitted, and to negotiate specific work elements with a proposer into a project of lesser or greater magnitude than described in this RFP or the proposer's reply.**

## TIMING

It is the City's desire that a redevelopment contract be executed with the selected proposer as soon as possible and that construction of the project would begin no later than February 2007.

Following is the anticipated timeline:

Pre-proposal meeting:	July 27, 2005, 2:00 p.m.
Submission deadline for proposals:	August 30, 2005, 4:00p.m.
Review/evaluation of proposals and neighborhood review:	Sept. 2005 to Dec. 2005
Recommendation to City Council Community Development Committee on the selected developer:	December 2005
Final action by City Council:	January 2006

## CITY CONTRACTING REQUIREMENTS

The selected developer will be required to enter into a redevelopment contract with the City and comply with any applicable City requirements. These requirements vary depending upon the type of development and the source and amount of public investment, if any, and may include, without limitation, the payment of prevailing wages for construction, the preparation of affirmative action plans, competitive bidding, compliance with the Small and Underutilized Business Enterprise program or equivalent federal program, and Business Subsidy Act/Living Wage Policy, and reporting requirements for those programs. Some of the standard requirements are further discussed below, but the following list is not exhaustive. Proposers unfamiliar with these standard requirements are urged to seek further information.

- 1. Equal opportunity (nondiscrimination and affirmative action)** The selected developer and contractor will be required to submit a written affirmative action plan for the development project and to comply and cause its contractors to comply with applicable provisions of Chapters 139 and 141 (Title 7, Civil Rights), Minneapolis Code of Ordinances, nondiscrimination provisions contained in Chapter 181, Minnesota Statutes, the Americans with Disabilities Act of 1990 (as amended), Section 109 of the Housing and Community Development Act of 1974 (as amended), the Age Discrimination Act of 1975 (as amended) and Executive Order 11246, as amended by Executive Order 12086. The selected developer will be required to agree not to discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, affectional preference, disability or other handicap, age (40 – 70), marital status, or status with regard to public assistance. The selected developer also will be required to take affirmative action to ensure that all employment practices are free of such discrimination. These employment practices include, but are not limited to the following: hiring, upgrading,

demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. The developer will post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination clause. The selected developer also will be required to, in all solicitations or advertisements for employees placed by or on behalf of the developer, state that it is an equal opportunity or affirmative action employer. CPED will require compliance in demolition, construction and marketing of development projects.

2. The **Job Linkage Program** links economic development with employment. The purpose of the program is to insure increased employment opportunities for Minneapolis residents. All commercial/industrial development projects whose primary purpose is job creation or retention, that receive non-City public development assistance, are required by contract to identify positions that are reserved for Minneapolis residents.
3. The City of Minneapolis **Living Wage Policy** established certain wage and hiring requirements applicable to the owner and tenants of development projects where the primary objective of the project is job creation or retention.
4. In accordance with the City's **Prevailing Wage Policy**, the selected developer covenants and agrees that it will cause its general contractor to comply with the wage and hour standards issued by the United States Secretary of Labor pursuant to the Davis Bacon Act, 40 U.S.C. Sections 276a to 276a-5, as amended, and the Contract Work Hours and Safety Standards Act 40 U.S.C. Sections 327-333. The developer shall maintain appropriate payroll documentation for a 3-year period after completion of the project.
5. City of Minneapolis Ordinances require that all development projects that receive public financial assistance in excess of \$100,000 must comply with Chapter 423 of the Minneapolis City Ordinances where subcontracting opportunities exist. Such requirements encourage the use of businesses owned by women and minorities in securing construction and professional services, and are applicable to developers and contractors. A list of certified businesses can be obtained by contacting the **Small and Underutilized Business** Program at 612-673-2112 or at [www.govcontracts.org](http://www.govcontracts.org). Goals for this project will be established when the specifics are known. Similar projects have had established goals ranging from 5% to 15% for women and 5% to 15% for minority-owned companies.
6. The developer's contractor will be subject to the City's **Apprenticeship Training Policy** for development projects where public financial assistance is provided to the developer/owner.

7. Depending upon the level and purpose of public assistance that may be received, provisions of the Minnesota **Business Subsidy Act** may also apply to the project. Should these requirements apply, they will be incorporated into the development agreement.
8. The development must be in conformance with the Uniform Federal **Accessibility Standards** as published on April 1, 1988. Developers must describe the accessibility design for people with disabilities of each of the code required handicapped units, any proposed housing development (e.g. roll-in showers), the mix of accessible units in the project and where they are located, and any appropriate safety features for vision- and hearing-impaired people.
9. The City's **Affordable Housing Policy** applies to any residential development (rental or ownership) with ten units or more, or a project with a residential component of 10 or more units, that receives any public financial assistance. Public financial assistance includes the receipt of City-wide resources through the normal, competitive RFP funding processes established by the City, or the receipt of non-City resources that are either passed through the City or requires the City to be a co-applicant (see Affordable Housing Policy, Exhibit M).

Under the Affordable Housing Policy, three options are available:

- 20% of the units in the development must be affordable, or
- A comparable number of affordable units must be legally committed by the developer to be built elsewhere in the City, or
- A payment equal to the number of required affordable housing units times \$80,000 must be made into the City's Affordable Housing Fund.

Units are considered affordable if the rent (and/or the combined PITI with utilities) is no more than 30% of 50% of the Twin Cities Standard Metropolitan Statistical Area monthly household income, by family size. Affordable units must be occupied by households with incomes <50% metropolitan median income. Units must be affordable for a minimum of 15 years after completion.

10. **Soil Conditions:** The property will be sold "as-is" and it will be the developer's responsibility to correct and pay for all costs associated with environmental or geotechnical soil problems. Any environmental reports in CPED's possession regarding the property may be reviewed during normal business hours at the CPED offices by making arrangements with the department contact person. Any potential proposer may also reasonably conduct its own environmental testing of the property by contacting the department contact person, entering into a right of entry agreement with the City and providing the requisite insurance coverage.

11. **Rezoning Responsibility:** It is the selected developer's responsibility to undertake and finance any rezoning, variance and use permits necessary for approval of the proposed development.
12. **Utilities:** It is the selected developer's responsibility to identify the locations of and provide for the installation of electricity, gas, water, sewer service and other utilities servicing the site from the public mains to the individual units.
13. **Construction Standards:** Development must meet FHA minimum property standards and all Minneapolis City codes, and projects will be reviewed for energy efficiency.
14. **Residential Sale and Commercial Sale/ Lease:** The completed units must be advertised and offered publicly and must be sold to the general public.
15. **Hold Harmless:** The Respondent shall agree to defend, indemnify and hold CPED harmless from any and all claims or lawsuits that may arise from the Candidate's activities under the provisions of the development agreement, that are attributable to the acts or omissions, including breach of specific contractual duties of the Respondent or the Respondent's independent contractors, agents, employees or officers.

**EXHIBITS**

**A – Form of Consent for Release of Response Data**

**B – Lowry Avenue Corridor Project - Property legal description and parcel map depicting Lowry Avenue Corridor Project line**

EXHIBIT A  
Form of Consent for Release of Response Data

\_\_\_\_\_, 20\_\_

City of Minneapolis  
Department of Community Planning and Economic Development  
105 5<sup>th</sup> Avenue S.  
Minneapolis, MN 55401

Re: \_\_\_\_\_ Request for Proposals  
Consent for Release of Response Data

\_\_\_\_\_, on behalf of \_\_\_\_\_, hereby consents to the release of its development proposal in response to the \_\_\_\_\_ Request for Proposals and waives any claims it may have under Minnesota Statutes Section 13.08 against the City of Minneapolis for making such information public. [The foregoing consent and waiver does not extend to financial statements submitted under separate confidential cover.](#)

\_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT B**  
**Lowry Avenue Corridor Project**

A permanent easement for highway purposes over all that part of Lot 1, Block 2, HAMISCH'S SECOND ADDITION TO MINNEAPOLIS, according to the duly recorded plat thereof, Hennepin County, Minnesota, which lies northerly of a line which passes through a point on the west line of said Lot 1 distant 20.11 feet southerly of the northwest corner thereof, as measured along said west line, and which passes through a point on the east line of said Lot 1 distant 20.50 feet southerly of the northeast corner thereof, as measured along said east line.

Also, a permanent easement for highway purposes over all that part of Lot 28, Block 2, HAMISCH'S SECOND ADDITION TO MINNEAPOLIS, according to the duly recorded plat thereof, Hennepin County, Minnesota, which lies northerly of a line which passes through a point on the west line of said Lot 28 distant 19.67 feet southerly of the northwest corner thereof, as measured along said west line, and which passes through a point on the east line of said Lot 28 distant 20.06 feet southerly of the northeast corner thereof, as measured along said east line.

Also, a permanent easement for highway purposes over all that part of the following described tract:

Lots 23, 24, 25, 26, 27 and 28, Block 2, HAMISCH'S SECOND ADDITION TO MINNEAPOLIS, according to the duly recorded plat thereof, Hennepin County, Minnesota,

which lies westerly of the following described line:

Commencing at the northwest corner of said Lot 28; thence run easterly along the north line of said Lot 28 for 21.38 feet to the point of beginning of the line to be described; thence deflect right 89 degrees 26 minutes 44 seconds for 118.29 feet; thence deflect right 11 degrees 19 minutes 10 seconds for 107.02 feet, more or less, to the west line of said Lot 23 and said line there terminating.

Also, a temporary easement for construction purposes over all that part of Lot 1, Block 2, HAMISCH'S SECOND ADDITION TO MINNEAPOLIS, according to the duly recorded plat thereof, Hennepin County, Minnesota, which lies northerly of a line which passes through a point on the west line of said Lot 1 distant 29.11 feet southerly of the northwest corner thereof, as measured along said west line, and which passes through a point on the east line of said Lot 1 distant 29.50 feet southerly of the northeast corner thereof, as measured along said east line.

Also, a temporary easement for construction purposes over all that part of Lot 28, Block 2, HAMISCH'S SECOND ADDITION TO MINNEAPOLIS, according to the duly recorded plat thereof, Hennepin County, Minnesota, which lies northerly of a line which passes through a point on the west line of said Lot 28 distant 28.67 feet southerly of the northwest corner thereof, as measured along said west line, and which passes through a point on the east line of said Lot 28 distant 29.06 feet southerly of the northeast corner thereof, as measured along said east line.

Also, a temporary easement for construction purposes over all that part of the following described tract:

Lots 23, 24, 25, 26, 27 and 28, Block 2, HAMISCH'S SECOND ADDITION TO MINNEAPOLIS, according to the duly recorded plat thereof, Hennepin County, Minnesota,

which lies westerly of the following described line:

Commencing at the northwest corner of said Lot 28; thence run easterly along the north line of said Lot 28 for 30.38 feet to the point of beginning of the line to be described; thence deflect right 89 degrees 26 minutes 44 seconds for 119.09 feet; thence deflect right 11 degrees 19 minutes 10 seconds for 120.01 feet; thence deflect right 78 degrees 49 minutes 38 seconds for 6.43 feet, more or less, to the west line of said Lot 23 and said line there terminating.

Said temporary easement(s) to expire on December 31, 2012.

